

INTERAMERICAN UNIVERSITY OF PUERTO RICO
METROPOLITAN CAMPUS
FACULTY OF ECONOMICS AND ADMINISTRATIVE SCIENCES
School of Management

SYLLABUS

- I. COURSE TITLE :** **MERCANTILE LAW**
- COURSE CODE :** **BADM 3313**
- CREDITS :** **Three (3)**
- REQUISITES :** **MAEC 2211 and MAEC 2212**
- TERM :**
- PROFESSOR :**
- OFFICE HOURS :**
- E-MAIL :**

II. DESCRIPTION

Analysis of the principles and requirements that regulate civil and mercantile contracting. Applicable laws according to the business code, civil code, jurisprudence and special laws. Also included are the laws and regulations that rule the organization, operation and responsibilities of the different types of enterprises. Typical negotiable tools and the laws that apply. Contemporary trends of trade laws.

III. OBJECTIVES

A. General Objectives

In educating business students about the legal, regulatory, and ethical environment of business, it is attempted to achieve the following general objectives:

- (1) To improve students' skills and ability to critically evaluate the role of law and the legal system.
- (2) To enhance students' understanding of legal processes so that they can identify legal problems, contracts breaches, and think about solving simple problems and avoiding serious ones. This will assist them in their business decision making.
- (3) To give students a greater appreciation for the role of law in society so they can understand and appreciate social and professional responsibilities to peers, community and environment.
- (4) To help students in recognizing and managing legal and ethical risks in business decision making.
- (5) To enhance students' writing and research skills.

IV. CONTENT

UNIT I: Introduction to Business and Mercantile Law.

As one of the primary means for maintaining social order, legal principles and processes facilitate the creation and operation of markets by providing necessary assurance to investors, sellers, buyers, employees, and others that their reasonable commercial expectations will be realized. While serving this positive function, however, law simultaneously operates as the most pervasive external constraint on business decision making.

This course provides an introduction to law from a business perspective. A wide range of interesting topics is covered, with an emphasis on contract law and developing an ability to find and apply the law to resolve specific problems. Topics include: the nature and purpose of law; how law develops and changes; how legally binding agreements (contracts) are created; how to understand the terms of a contract; what must be done to perform contractual obligations; how contracts are enforced if there is a breach of contract; special circumstances in which performance of a contract can be avoided; liability in tort law for injury or loss caused to other people or their property; consumer protection, product liability, and the environment.

The material of this Module will help:

- A. Students will know the nature and purpose of law. They will also have learned which are the sources of law, how law develops and changes.
- B. Students will have learned the basic principles of what is considered a business and the different types of business entities that exist in the Mercantile Law world.
 1. Introduction to Law Reasoning
 2. Business/Mercantile Law Terminology
 3. Types of Business Organizations
 - Reece v. Ariela, 22 P.R. S.C. 257 (1988)
 - Pachecho v. National Western Life, 22 P.R. S.C. 49 (1988)
 - Colgate v. Mistolin, 17 P.R. Offic. Trans. 376 (1986)
 - Pescaderias Rosas v. Lozada, 16 P.R. Offic. Trans. 579 (1985)

Unit II: Contracts. The material of this Module will help:

- A. Students will have learned how legally binding agreements are created and the different types of contracts that can be made with the requisites for each of them.
- B. Students will be able to understand the terms of a contract and how are contracts enforced and interpreted in the Mercantile Law world.
 1. Contracts concepts and definitions
 2. Contracts: An Overview
 3. Leasing Contract Act for Personal Property, 10 L.P.R.A. sec. 2401 *et. seq.*

Marcial v. Ubinas, 1997 P.R.-Eng. 871,183 (1997)
Systema v. Interface, 23 P.R. Offic. Trans. 347 (1989)
Nieves v. Bansander Leasing, 1994 P.R.-Eng. 909,627 (1994)

Unit III: Torts. The material of this Module will help:

- A. Students will have learned the basics in liability in torts law for injury or loss caused to people or their property.
- B. Students will be able to distinguish between who is liable and who is not when there is an injury caused by accident or with the intention to cause harm to others.
 - 1. An Overview of Negligence
 - 2. The Interrelationship of Duty and Proximate Cause
 - Rivera v. Superior Packaging, 1992 P.R.-Eng. 754,830 (1992)
 - Santiago v. A.C.A.A., 19 P.R. Offic. Trans. 755 (1987)
 - Laureano v. Soto, 1996 P.R.-Eng. 499,189 (1996)

Unit IV: Intellectual Property. The material of this Module will help

- A. Students will have learned the basics on intellectual property rights and copyrights.
- B. Students will be able to recognize the protection given in the Mercantile Law area to certain names, products, and trademarks, among many others.
 - 1. Intellectual Property Unit Summary
 - 2. Copyright Summary
 - 3. Copyright Basics
 - Colon v. Carlos Martinez, Inc., 12 P.R. Offic. Trans. 1061 (1982)
 - Ossorio Ruiz v. Srio Vivienda, 6 P.R. Offic. Trans. 65 (1977)
 - Pancorbo v. Wometco, 15 P.R. Offic. Trans. 650 (1984)

Unit V: Business Ethics. The material of this Module will help:

- A. Students will know the rules that govern organizations and business entities.
- B. Students will have learned the responsibilities of investors, sellers, buyers, employees, and other individuals involved in the Mercantile Law area.
 - 1. Respect, Responsibility, Results from the Ethical Point of View
 - 2. Business Ethics Essentials
 - 3. Ethical Aspects of Business Relationships

UNIT VI: Bankruptcy Basics. The material of this Module will help:

- A. Acknowledge the difference between each chapter of the federal Bankruptcy Code.

B. Become familiar with the language of bankruptcy, including some terms from the law of secured transactions.

1. Bankruptcy Summary
2. Bankruptcy Terminology
Esteves v. Esteves, 295 B.R. 158 (2003)

V. ACTIVITIES

ASSIGNMENTS

Students will be required to submit short assignments and case-briefs to demonstrate their research, writing, and analytical skills. There will be quite a bit of reading, but I optimistically expect that all assignments will be read on time. Students are encouraged to read the assigned cases in order to achieve the course general objectives.

SHORT EXAMS

The short exams will test your understanding of the unit's concepts. They will contain multiple-choice questions, fill-in-the-blank questions, and/or true/false questions, like those found on a typical exam.

VI. EVALUATION

Grades will be allocated according to the performance demonstrated by each student individually. In setting the curve, I assign the following weights:

Homework	40%
Short Exams	<u>60%</u>
Total	100%

If you fail to submit an assignment, case-brief or a quiz on its due date you will receive a "0". We are all humans; we have inconveniences and personal problems. Students are encouraged to contact me as soon as possible to communicate any valid reason for not been able to comply with a due date.

BUT NO LATE SUBMISSIONS WILL BE ALLOWED.

The professor will grade all work submitted by students. Grades will be posted so students can check on them once the correcting period ends. If students want to check on their work, they can contact the professor to plan a meeting. The professor will keep all the graded documents for six months after the session ends.

FINAL GRADING SYSTEM

90-100 points	A - Excellent
80-89 points	B - Above Average
70-79 points	C - Average
65-69 points	D - Below Average

64 points or Below F - Failing Grade

A = Clearly stands out as excellent performance. Has unusually sharp insight into material. Sees many sides of an issue. Articulates well and writes logically and clearly. Integrates ideas previously learned from this and other disciplines.

B = Grasps subject matter at a level considered to be good to very good. Accomplishes more than the minimum requirements. Work is of high quality.

C = Demonstrates a satisfactory comprehension of the subject matter. Accomplishes only the minimum requirements, and displays little or no initiative. Has a generally acceptable understanding of all basic concepts.

D = Quality and quantity of work is below average and barely acceptable.

F = Quality and quantity of work is simply unacceptable.

VII. SPECIAL NOTES

A. Special Accommodations

Students who require special accommodations must request these services at the beginning of the course as soon as they notice that they need help. Students can access this service with Professor Jose Rodriguez, Coordinator of Students with Special Needs at the Guidance and Counseling Office on the first floor at Metro's Student Center.

B. Plagiarism

Plagiarism, dishonesty, fraud and any other type of manipulation or inappropriate behavior related with academic performance are unacceptable in our institution. Disciplinary actions will be taken on students found guilty of such practice as established in Chapter V, Article 1, Section B.2 of the Student's Rules and Regulations handbook.

Inter-American University has very strict regulations regarding plagiarism (using the ideas or words of others without giving proper credit), so it is important that you specifically read Chapter 5, Article 1, Section B.2c of the Student' Rules and Regulations Handbook. This section clearly explains what plagiarism is. In addition, it explains the types of sanctions students are exposed to when they commit it.

C. Use of Electronic Devices

Cellular (mobile) telephones and any other electronic device that could interrupt the teaching-learning process or disrupt a milieu favorable for academic excellence will be deactivated. Critical situations will be dealt with in an appropriate manner. The use of electronic devices that permit the accessing, storing or sending of data during tests or examinations is prohibited.

VIII. EDUCATIONAL RESOURCES

REFERENCES

The Mercantile Laws that governs Puerto Rico's Business transactions are found in different Special Laws, the Commercial Code of Puerto Rico of 1932, the Civil Code of Puerto Rico of 1930, and uses and customs (habits, tradition) used in business, as stated to be a sources of

Law by the Commercial Code of Puerto Rico. All of our Business System relies in what these historical documents stipulates and its interpretations by the Judicial Branch (jurisprudence) that helps the development and stability of the legal system. There is some flexibility in the system to help the business transaction flow rapidly.

The system can be changed, only if law is changed by the Legislature Branch that has the Constitutional Power to create, amend, change or derogate the Rules of Order, among others.

These References are used because they are the ones that still regulate our Mercantile Law system.

IX. BIBLIOGRAPHY

The references and complemental resources are in the content description of this Syllabus.

All new legislation and jurisprudence will be added to be discussed.

ONLINE SOURCES

If you have trouble with legal terminology, there are a number of free online law dictionaries, including <http://dictionary.law.com>

There are other legal websites you can consult like the Information Institute at Cornell Law School: <http://www.law.cornell.edu>, <http://findlaw.com>, <http://tribunalpr.org>, and <http://lexjuris.com>

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